

Agreement
Between

THE CITY OF CAPE MAY
AND
CITY OF CAPE MAY
MIDDLE MANAGEMENT EMPLOYEES

Represented By
UAW LOCAL 2327

January 1, 2009 through December 31, 2012

Table of Contents

| | | |
|------------|---|----|
| | Preamble | 3 |
| Article 1 | Recognition | 3 |
| Article 2 | Management Rights | 3 |
| Article 3 | Grievance Procedure | 3 |
| Article 4 | Seniority | 5 |
| Article 5 | Union Representatives | 6 |
| Article 6 | Hours and Overtime | 6 |
| Article 7 | Holidays | 7 |
| Article 8 | Vacation | 8 |
| Article 9 | Health Benefits | 9 |
| Article 10 | Sick, Disability & Bereavement Leave | 11 |
| Article 11 | Salaries & Compensation | 14 |
| Article 12 | Longevity | 15 |
| Article 13 | Family Leave | 15 |
| Article 14 | Notice of Job Openings | 15 |
| Article 15 | Work Rules | 15 |
| Article 16 | No Strike Pledge | 16 |
| Article 17 | Non Discrimination | 16 |
| Article 18 | Working Conditions | 17 |
| Article 19 | Dues Check-Off and Representation Fee | 17 |
| Article 20 | Severability and Savings | 18 |
| Article 21 | Fully Bargained Provisions | 18 |
| Article 22 | Duration | 18 |
| Article 23 | Stipends | 19 |
| Appendix A | Flex Care Medical Options | 20 |
| Appendix B | Stipend Agreement | 21 |
| Resolution | | |

PREAMBLE

THIS AGREEMENT entered into this 18th day of May, 2010, by and between the City of Cape May, County of Cape May, a municipal corporation in the State of New Jersey, hereinafter referred to as the "City" and the City of Cape May Middle Managers, UAW Local 2327, hereinafter referred to as the "Union", represents the complete and final understanding on all bargainable issues between the City and the Union.

ARTICLE 1 RECOGNITION

The City of Cape May, New Jersey recognizes that UAW Local 2327, hereinafter known as "Union", as the exclusive negotiating representative for collective negotiations concerning the terms and conditions of employment for middle management employed by the City, which are defined as those employees who have supervisory authority, are not included in any other bargaining unit, are not statutorily excluded from collective bargaining and are subordinate to another City employees other than the City Manager, which positions presently include Chief Water Treatment Plant Operator, Asst. Superintendent Public Works, Supervisor of Water and Sewer, and Zoning Officer.

ARTICLE 2 MANAGEMENT RIGHTS

2.1 The City hereby retains and reserves unto itself, all powers, rights, authority, duties and responsibilities conferred upon and vested in it by the Laws and Constitution of the State of New Jersey and the United States.

2.2 The exercise of the foregoing powers, rights, authority, duties, or responsibilities of the City, the adoption of policy, rules, regulations and practices and furtherance thereof, and the use of judgment and discretion in connection therewith shall be limited only by the specific and express terms of this Agreement and then only to the extent that specific and express terms hereof are in conformance with the Constitution and Laws of the State of New Jersey and the United States and the ordinances of the City of Cape May

2.3 Nothing contained herein shall be construed to deny or restrict the City of its rights, responsibilities and authorities under N.J.S.A. 40:1 et. seq., N.J.S.A. 40A.1 et. seq. N.J.S.A. 11:1 et. seq. N.J.S.A. 11A et. seq., any other national, state, or county law or administrative code.

ARTICLE 3 GRIEVANCE PROCEDURE

3.1 The purpose of this procedure is to secure, at the lowest possible level, an equitable solution to the problems which may arise affecting the terms and conditions of employment under this Agreement.

3.2 Nothing herein shall be construed as limiting the right of any employee having a grievance to discuss the matter informally with any appropriate member(s) of Administration.

3.3 The term "grievance", as used herein, means any controversy arising over the interpretation, application or alleged violation of this Agreement affecting the terms and conditions of employment. A "grievance" may be raised by an individual or the Union.

3.4 The following constitutes the sole and exclusive method for resolving grievances between the parties covered by this Agreement and shall be followed in its entirety unless any step is waived by mutual consent:

Step One: The aggrieved or the Union shall institute action under the provisions hereof within two weeks, (14 days) after the event giving rise to the grievance has occurred, and an earnest effort shall be made to settle the differences between the aggrieved employee and his/her immediate Supervisor for the purpose of resolving the matter informally. Failure to act within said two weeks, (14 days) shall be deemed to constitute an abandonment of the grievance.

Step Two: If no agreement can be reached orally within ten (10) calendar days after the initial discussion with his/her Supervisor, the employee or the Union may present the grievance in writing within fifteen (15) calendar days thereafter to the City Administrator or his/her designated representative. The written grievance at this step shall contain the relevant facts and a summary of the oral discussion, the applicable section of the contract violated and the remedy requested by the grievant. The City Administrator or his/her designated representative will answer the grievance in writing within five (5) calendar days of receipt of this written grievance.

Step Three: If the grievance is not settled through Steps One and Two, either party shall have the right to submit the dispute to arbitration pursuant to the Rules and Regulations of the Public Employment Relations Commission. The costs for the services of the arbitrator shall be borne equally by the City and the Association. Any other expenses, including but not limited to the presentation of witnesses, shall be paid by the parties incurring it. The parties direct the arbitrator to decide, as a preliminary question, whether he/she has jurisdiction to hear and decide the matter in dispute. The arbitrator shall be bound by the provisions of this Agreement and the Constitution and Laws of the State of New Jersey, and be restricted to the application of the facts presented to him/her involved in the grievance. The arbitrator shall not have the authority to add to, modify, detract from or alter in any way the provisions of this Agreement or any amendment or supplement thereto. The decision of the arbitrator shall be final and binding.

3.5 The designated Union Representative(s) shall be permitted to confer with employees and the City on specific grievances in accordance with the grievance procedure set forth herein during work hours of employees, without the loss of pay, provided the conduct of said business shall not diminish the effectiveness of said employees.

3.6 The time limits expressed herein shall be strictly adhered to. If any grievance has not been initiated within the time limits specified, then the grievance shall be deemed to have been abandoned. If any grievance is not processed to the next succeeding step in the grievance procedure within the time limits prescribed hereunder, then the disposition of the grievance at the last preceding step shall be deemed to be conclusive. If a decision is not rendered within the time limits prescribed for decision at any step in the grievance procedure, then the grievance shall be deemed to have been denied. Nothing herein shall prevent the parties from mutually agreeing to extend or contract the time limits provided for processing the grievance at any step in the grievance procedure.

3.7 In the event the aggrieved elects to pursue remedies available through the New Jersey Department of Personnel, the grievance shall be canceled and the matter withdrawn from this procedure. It is agreed between the parties that no arbitration hearing shall be held until the expiration of at least thirty (30) calendar days after the decision rendered by the City her designated representative on the grievance. In the event the grievant pursues his/her remedies through the New Jersey Department of Personnel, the arbitration hearing, if any, shall be canceled and the filing fees and expenses incurred shall be paid by the grievant or Union.

ARTICLE 4 **SENIORITY**

4.1 Administrator or his/ The most senior employee shall be given preference in the selection of vacations provided there is no interference with normal operations of the City.

4.2 For purpose of accruing benefits payable hereunder, including but not limited to vacations, sick leave, and longevity, seniority shall be defined as continuous employment with the City from date of hire.

4.3 For purpose of promotions, seniority of position shall always be given preference over years of service, so long as the senior employee meets all qualifications and requirements for the higher position.

4.4 For purpose of promotion or layoff, seniority of position shall be defined as any middle management position that causes an employee covered by this Agreement to direct or supervise activities of other City employees.

4.5 The City shall deliver to the Union, copies of all job opportunity bulletins, Civil Service test notifications and other correspondence, notices, or other materials forwarded to or received from Civil Service concerning job openings or opportunities within 72 hours of receipt of transmittal of same.

4.6 Seniority shall be considered along with the ability, experience, skills and past performance with respect to work assignments and job opportunities.

ARTICLE 5
UNION REPRESENTATIVES

5.1 Accredited representatives of the Union may enter the City facilities or premises at reasonable hours for the purpose of observing working conditions or assisting in the adjustments of grievances. When the Union decides to have its representative enter the City facilities or premises, it will request such permission from the chief executive of the City or a designated representative and such permission will not be unreasonably withheld, provided there should be no interference with the normal operations of the business of the City government or normal duties of the employees.

5.2 The Union shall advise the City in writing of the name(s) of all union representatives each January or within seven (7) days following any change of representatives.

5.3 During negotiations, the Union's representatives so authorized by the Union, not to exceed two (2), shall be excused from their normal duties for such period of negotiations as are reasonable and necessary. Such excused individuals, however, shall be available for duty in the event the need arises.

ARTICLE 6
HOURS & OVERTIME

6.1 The work schedule for middle management employees shall be determined by the requirements of the job. The minimum number of hours and schedule for all such employees shall be as follows:

1. For middle managers in the Departments of Public Works, the regular work schedule shall be the same as the regular work schedule for all other Public Works employees as set forth in its collective bargaining agreement with the City.

2. For middle managers in the Departments of Water and Sewer, the regular work schedule shall be the same as the regular work schedule for all other Water and Sewer employees as set forth in its collective bargaining agreement with the City.

3. For all other middle management employees, the normal work schedule shall be the same as the regular work schedule for the Cape May City Clerical and White Collar Workers as reflected in its collective bargaining agreement with the City.

6.2 Notwithstanding the requirements in Section 6.1, all middle managers are expected to work the days and hours required for the normal execution of their management responsibilities. In the event that such employees work in excess of the minimum hours required for a normal work schedule, as essential administrative personnel pursuant to the terms and conditions of this Agreement, they should not be entitled to receive any additional compensation.

6.3 By mutual agreement between any employee and department head, flexible hours of work may be permitted to accommodate occasional circumstances where it is to the benefit of the employee or City or both for work to be performed at times other than the regular schedule of work set forth in 6.1 above. Any such short term agreement for flexible hours that results in more or less work hours than those set forth in Section 6.1 above on any given day, work week, or pay period shall be made up during the same or next pay period so that the total number of hours worked shall be the same as set forth in Section 6.1 above. For example, the City may request an employee to work additional hours on one day, with the employee agreeing to take the exact number of hours in time off on another day in the same or next pay period. Similarly, an employee may request a department head to permit hours off on one day by agreement to work the exact number of hours in addition to the regular work schedule on another day in the same or next pay period. Use of such flexible hours shall not result in additional pay or loss of pay to any employee, nor shall any leave balances be increased or reduced.

ARTICLE 7 HOLIDAYS

7.1 The following holidays shall be recognized:

| | |
|--------------------|------------------------------------|
| New Year's Day | Columbus Day |
| Lincoln's Birthday | Veteran's Day |
| President's Day | General Election Day |
| Good Friday | Thanksgiving Day |
| Memorial Day | Day After Thanksgiving |
| Independence Day | Christmas Day |
| Labor Day | Martin Luther King, Jr.'s Birthday |

7.2 A holiday shall be granted to all employees whenever the same is declared by proclamation of the President, the Governor or the County Board of Chosen Freeholders, provided the City Council accepts the holiday by proper resolution.

7.3 For employees working a five (5) weekday week (Monday through Friday), holidays which fall on Saturday will be celebrated on the preceding Friday, holidays which fall on Sunday will be celebrated on the following Monday. For employees working other than a five (5) weekday workweek as described above, holidays will be celebrated on the day on which they actually fall.

7.4 All requests for additional leave, including personal leave and vacation leave, immediately prior to or immediately following any of the fourteen (14) holidays listed in Section 7.1 shall, except in cases of emergency, be made at least five (5) working days in advance.

ARTICLE 8
VACATIONS

8.1 Annual vacation leave with pay shall be earned at the rate of eight (8) hours (one working day) of vacation for each month of service during the remainder of the calendar year following the date of hire to a maximum of ninety six (96) hours (twelve (12) working days) of paid vacation during the first year of employment. For any employee hired after the fifteenth of the month no vacation will be earned until the first full month of employment.

| YEARS OF SERVICE | VACATION DAYS |
|------------------|------------------|
| 1 | 1 day per month |
| 2 thru 5 | 12 days per year |
| 6 thru 12 | 15 days per year |
| 13 thru 19 | 20 days per year |
| 20 & over | 25 days per year |

For employees hired on or after January 1, 2010, the vacation hours and days for 20th year and over shall be one hundred seventy-six (176) hours and twenty-two (22) days.

8.2 Vacation leave will be credited to each employee on January 1 of each year regardless of the actual date of hire.

8.3 Vacation leave will be prorated and credited for the months of actual service during the last year of employment.

8.4 Vacation allowance must be taken during the current calendar year at such time as permitted or directed by the chief executive of the City or a designated representative unless the chief executive of the City or a designated representative determines that it cannot be taken because of pressure of work. Vacation requests should be made as far in advance as possible, but they must be submitted to the employee's Department Head no later than forty-eight (48) hours in advance. Any unused vacation time may be carried forward into the next succeeding year only. Department heads are authorized, but not required, to approve advance employee requests for vacations of shorter duration, including vacation leaves in increments of no less than four hours.

8.5 If a vacation request, submitted in writing by the employee on the form supplied by the City, is denied in writing by chief executive of the City or a designated representative because of the pressure of work, the employee shall not lose the vacation days denied and may request that the unused vacation time be carried forward into the next succeeding year or that the unused vacation time so denied be converted into pay at the employee's prevailing rate.

8.6 Personal Days. All employees covered under this agreement shall be allowed three (3) days of personal leave with pay annually, not deducted from sick leave. Such leave

shall not accumulate from year to year. Full day (eight (8) hour) personal days may be taken at the employee's convenience without advance approval. With advance approval of the employee's department head or chief executive of the City or a designated representative, half personal days (four (4) hours) may be taken.

ARTICLE 9

HEALTH BENEFITS

9.1. The City shall continue to provide and maintain group health benefits coverage and dependent coverage for all permanent full time employees beginning on the first of the month following sixty days of employment, as presently offered through the New Jersey State Health Benefits Plan (SHBP).

9.2. The City shall have the right to change health benefits carriers so long as the change in carriers has no appreciable effect on the level of benefits.

9.3 The City shall provide disability leave protection after a fourteen (14) day waiting period (sickness and accident) after which the employee will receive up to 70% of lost earnings up to the weekly benefit amount established by the State of New Jersey for twenty-six (26) weeks.

9.4. Upon retirement after 25 years of service to the City (or 27 years of service to the City for employees hired on or after January 1, 2010), the City will pay the entire cost of health benefit coverages available for retirees at the time of retirement to supplement Medicare or any other health benefits to which the retiring employee may be entitled for the lifetime of the retiring employee and the employee's spouse at the time of retirement. The health plan for retirees shall reflect a lifetime limit as provided for under the specific health plan selected by the retiree.

9.5. During the term of this Agreement, the City may offer alternative health plans to the Union other than those specified in Section 9.1. Subject to Section 9.2, the Union must approve any alternative health plan in writing before it will be available to all Union members on a uniform basis. Any agreement between the City and an employee regarding a Union approved alternative health plan will be authorized in writing. No employee shall be required to accept such alternative health plans.

9.6. All employees will continue to have their existing health insurance plan paid by the City through the SHBP. For employees hired before January 1, 2010, employees will be permitted to retain the option presently chosen without any additional contribution. Employees hired on or after January 1, 2010 shall be permitted to accept the Direct 15 option with no additional contribution, but may be permitted to select an option other than Direct 15, provided that if there are additional costs they will be paid by the employee. Such additional costs may be reimbursed through the City's Flex Care Program. All plans provided by the City shall be without a prescription drug program, but will include prescription reimbursement under the plan's deductible and co-insurance limits (the "SHBP w/o Prescription"). In the event the options available under the SHBP change, the City shall designate the option that is most

comparable to Direct 15 as the option that will continue to be offered at no charge to the employees.

9.7. Employees who are entitled to and who elect to "cash out" their health insurance benefits will be given two options: (i) receive the lesser of Eight Thousand (\$8,000.00) Dollars or fifty (50%) percent of the Direct 15 premium, without prescription and without participation in the City's Flex Care Program; or (ii) receive the lesser of Five Thousand Seven Hundred (\$5,700.00) Dollars or fifty (50%) percent of the Direct 15 SHBP w/o Prescription and with participation in the City's Flex Care Program. Except for City employees who are married to each other prior to January 1, 2010, if both a husband and wife are City employees, only one of them will be offered a health insurance plan and there will be no right for the other to "cash out". To the extent P.L. 2010, Ch. 2, supersedes the provisions of this Section 9.7, notwithstanding that the effective date of this Agreement is prior to May 21, 2010, the provisions of P.L. 2010, Ch. 2, shall supersede this section.

9.8. The City also provides a Flex Care Program, to those qualified employees. This program is shown in Appendix A. Qualified employees shall provide receipts for items covered under this program. Effective January 1, 2010, the Flex Care benefits amounts shall be increased to One Thousand Four Hundred (\$1,400.00) Dollars for employee only and Two Thousand Three Hundred (\$2,300.00) Dollars for employee plus dependents.

9.9 All employees, except those who elect to cash out under Section 9.7, shall be required to contribute to the cost of health benefits. The contribution shall be based upon the following:

| | |
|---------------------------------------|------|
| Up to \$30,000.00 | None |
| \$30,000.00 but less than \$50,000.00 | ½% |
| \$50,000.00 but less than \$70,000.00 | 1% |
| \$70,000.00 or more | 1½% |

These percentages shall be for all wages earned including stipends (but excluding longevity, overtime, clothing allowances and expense reimbursements) and are not marginal rates. For example, if an employee is scheduled to earn Forty Nine Thousand (\$49,000.00) Dollars for the year he/she will contribute Two Hundred Forty-Five (\$245.00) Dollars ($\frac{1}{2}\% \times \$49,000.00$), but if the total earnings are Fifty One Thousand (\$51,000.00) Dollars, the total contribution will be Five Hundred Ten (\$510.00) Dollars ($1\% \times \$51,000.00$). The required contributions shall be phased in over a four (4) year period beginning January 1, 2009 in equal twenty-five (25%) percent increments. It is also acknowledged that all employees covered by this Agreement shall be required to make a contribution toward the cost of health benefits pursuant to this Section 9.9 and, based upon the effective date of this Agreement being prior to May 21, 2010, the contribution set forth in this Section 9.9 shall supersede any contributions required under P.L. 2010, Ch. 2, such that the employees who make contributions toward health benefits under this Section 9.9 shall not be required to make a contribution pursuant to P.L. 2010, Ch. 2.

ARTICLE 10
SICK LEAVE, DISABILITY LEAVE & BEREAVEMENT LEAVE

10.1 Service Credit for Sick Leave

1. All permanent employees, full time temporary or full time provisional employees shall be entitled to sick leave with pay based on their aggregate years of service.

2. Employees may use sick leave when they are unable to perform their work because of personal illness, accident or exposure to contagious disease. Sick leave may also be used for short periods because of death in the employee's immediate family as defined in 3 below.

3. In the event of a serious illness, including childbirth, in the immediate families defined in this paragraph, employees shall be allowed to use accumulated sick time in order to attend to his responsibilities towards his family. Immediate family, for purposes of this article, shall be defined as husband, wife, child, stepchild, mother, father, brother, sister, stepmother, stepfather, guardian, mother-in-law, father-in-law, grandmother, grandfather, grandchildren, and sister-in-law, brother-in-law. The City may require reasonable verification of the event.

4. Sick leave shall not include any extended period of time where the employee serves as nurse or housekeeper during a period of illness.

5. Disability leave shall be provided in accordance with N.J.S.A. 1:24A-4.

6. Work related injuries. Employees shall receive full salary and benefits during time off from work to recover from on-the-job injuries that qualify for workers compensation payments. No deduction shall be made from the employee's sick or other leave balances for such time off. To qualify for, and partially compensate the City for extending this one hundred percent (100%) pay benefit, employees shall endorse all workers compensation payments (approximately 70% of salary) over to the City. Time off taken in connection with injuries or sicknesses that do not qualify for workers compensation payments shall be deducted from the employee's sick leave balance.

10.2 Amount of Sick Leave

1. The minimum sick leave with pay shall accrue to any full time employee on the basis of eight hours (one working day) per month during the remainder of the first calendar year of employment after initial appointment and 120 hours (fifteen working days) in every calendar year thereafter.

2. Any amount of sick leave allowance not used in any calendar year shall accumulate to the employee's credit from year to year to be used if and when needed for such purpose.

3. An employee shall not be reimbursed for accrued sick leave at the time of termination of employment.

4. Sick leave shall be taken in no less than four (4) hour increments. Eight (8) hours shall be deducted from an employee's sick leave balance for each one-day of sick leave utilized.

10.3 Reporting of Absence on Sick Leave

If an employee is absent for reasons that entitle him to sick leave, his supervisor shall be notified promptly as of the employee's usual reporting time, except in those work situations where notices must be made prior to the employee's starting time. In such event, the employee shall notify the Department Head at least one half (1/2) hour prior to the commencement of his usual starting time.

10.4 Verification of Sick Leave

1. An employee absent on sick leave for five (5) or more consecutive working days shall be required to submit acceptable medical evidence substantiating the illness when, in the opinion of the chief executive of the City or a designated representative, the use of sick leave appears to be excessive or must be substantiated.

2. An employee who has been absent on sick leave for periods totaling ten (10) days in one calendar year consisting of periods of less than five (5) days, shall submit acceptable medical evidence for any additional sick leave in that year unless such illness is of a chronic or recurring nature requiring absences of one (1) day or less in which cases only one (1) certificate shall be necessary for a period of six (6) months.

3. The appointing authority may require proof of illness of an employee on sick leave, whenever such requirement appears reasonable. Abuse of sick leave shall be cause for disciplinary action.

4. In case of leave of absence due to exposure to contagious disease, a certificate from the Department of Health shall be required.

5. In case of death in the immediate family, reasonable proof may be required.

6. The City may require an employee who has been absent because of personal illness, as a condition of his return to duty, to be examined, at the expense of the City, by a physician designated by the City. Such examination shall establish whether the employee is

capable of performing his normal duties and their return will not jeopardize the health of other employees.

10.5 Bereavement Leave. All employees covered by this Agreement shall be allowed up to a maximum of twenty-four (24) hours (3 days) leave without loss of pay and not to be deducted from any leave balance, in the event of death of husband, wife, child, mother, father, brother, sister, step-mother, step-father, mother-in-law, father-in-law, grandmother, grandfather and grandchildren, and shall be allowed one day to attend the funeral of brother-in-law, sister-in-law, aunt, uncle, niece, and nephew without loss of pay. Any employee may request leave on the occasion of death of close personal friends not listed above for prior approval of the employee's department head and chief executive of the City or a designated representative, who shall not unreasonably deny appropriate leave.

10.6 Buy Back of Sick Leave Upon Retirement. All employees covered by this Agreement shall be eligible for the following upon retirement and verification of the personnel record at that time:

1. Twenty-five (25) or more years of service: fifty (50%) percent (i.e. one (1) day for every two accumulated days.)
2. Under twenty-five (25) years of service: twenty five (25%) percent (i.e. one (1) day for every four (4) accumulated days upon retirement.
3. Under no circumstances shall the total exceed Fifteen Thousand (\$15,000) Dollars.

10.7 Sick leave balances will be provided to employees regularly with their paychecks. It shall be each employee's responsibility to report any discrepancies in the number of hours shown.

10.8 The City may, by mutual consent with any employee covered by the terms of this agreement, pay the value of any sick, vacation, or personal day or days, which days shall be worked and deducted from the unused balance of said leave. Subject to annual budget appropriations, any such offer by the City to pay the value of any sick, vacation, or personal days shall be made equally to all employees.

10.9 Sick, vacation and personal leave entitlement for the entire year shall be credited to each employee at the beginning of each calendar year. In the event an employee terminates employment, takes a leave of absence, or has any other change in status where such leave is not earned for a portion of the year, the City shall recover the prorated value of said leave and any employee who utilizes more leave than is earned shall be required to reimburse the City for the value of the used, but unearned, leave.

ARTICLE 11
SALARIES & COMPENSATION

11.1 Anniversary date for the purpose of salary shall be January 1st for hire's through July 1st and those hired after July 1st, anniversary date shall be January 1st of the following year. Anniversary date for all employees hired after January 1, 2002 shall be their actual date of hire.

11.2. Date of Hire and Anniversary Date. All employees hired before January 1, 2009, shall be entitled to full contractual raises as listed in Section 11.4. Employees hired during this Agreement shall receive contractual raises as follows:

1. if the date of hire is between January 1st and June 30th, the employee will receive a full contractual raise effective on the next January 1st following the initial date of hire;
2. if the date of hire is between July 1st and December 31st, the employee will receive a contractual raise effective on the next July 1st following the initial year of hire;
3. all subsequent raises will be in accordance with Section 11.3.

11.3 Employees who are members of this bargaining unit and are assigned to the Departments of Public Works and Water and Sewer are occasionally called into work. In consideration therefore, and notwithstanding the flexible hours afforded to such employees pursuant to Section 6.3, effective January 1, 2010 the base salary for such employees shall be increased by the amount of Two Thousand Seven Hundred Fifty (\$2,750.00) Dollars effective on the first pay period after the execution of this Agreement; provided, however, that for the year of execution the increase will be prorated based upon the number of pay periods remaining in the year.

11.4 Contractual Raises. For employees hired into this bargaining unit prior to January 1, 2009, the salary increases shall be as follows:

- A. Effective retroactive to January 1, 2009, base salaries shall be increased by four (4%) percent over each employee's 2008 base salary, with the exception of the Construction Official.
- B. Effective January 1, 2010, base salaries shall be increased by three and one-half (3.5%) percent over each employee's 2009 base salary.
- C. Effective January 1, 2011, base salaries shall be increased by two and nine-tenths (2.9%) percent over each employee's 2010 base salary.
- D. Effective January 1, 2012, base salaries shall be increased by two and nine-tenths (2.9%) percent over each employee's 2011 base salary.

11.5 Minimum starting (hiring) salaries for the contract years shall be established for each Management/Professional position based upon experience, skill level, and marketplace conditions.

ARTICLE 12 **LONGEVITY**

In addition to salary, employees hired prior to January 1, 2010, shall receive longevity pay to be computed at 2% of the employee's base salary for every five (5) years of completed service, to the maximum of 10%. Anniversary date for this purpose shall be January 1st for persons hired before July 1st and for those hired after July 1st, their anniversary date shall be January 1st of the following year. For employees hired as new full time City employees on or after January 1, 2010, longevity pay shall be based on the following schedule:

| Years of Service | Percentage |
|------------------|------------|
| 1-5 | 0% |
| 6-10 | 1.5% |
| 11-15 | 3% |
| 16-20 | 4% |
| 21-25 | 5% |
| Over 25 | 6% |

ARTICLE 13 **FAMILY LEAVE**

Leave without pay to provide care as the result of the birth or adoption of a child or a serious health condition of a family member shall be available to eligible employees pursuant to applicable provisions of the New Jersey Family Leave Act (N.J.S.A. 34: b-1, et. seq.)

ARTICLE 14 **NOTICE OF JOB OPENINGS**

The City agrees to deliver notices of all middle and senior management position Job openings to the Union at least ten (10) working days prior to the date for filing of said openings.

ARTICLE 15 **WORK RULES**

The City will adopt or post or otherwise disseminate such rules and regulations as it may desire, provided that the same are not contrary to this agreement and further provided that the Union shall have the right to grieve within ten (10) days after the same are posted or

disseminated and/or a copy sent to the Union. Work rules are to be dated and signed by the issuing authority.

ARTICLE 16 **NO STRIKE PLEDGE**

16.1 The Union covenants and agrees that during the term of this agreement neither the Union nor any person acting in its behalf will cause, authorize, or support, nor will any of its members take part in any strike (i.e. the concerted failure to report for duty, or willful absence of any employee from their position, or stoppage of work or abstinence in whole or in part, from the full, faithful and proper performance of the employees duties of employment), work stoppage, slowdown, walkout or other job action against the City. The Union agrees that such action would constitute a material breach of this agreement.

16.2 In the event of a strike, slowdown, walkout or other job action, it is covenanted and agreed that participation in any such activity by any employee covered under the terms of this agreement shall be deemed grounds for termination of employment of such employee or employees, subject, however, to the application of the grievance procedure contained in Article 3.

16.3 The Union will actively discourage and will take whatever affirmative steps are necessary to prevent or terminate any strike, work stoppage, slowdown, walkout or other job action against the City.

16.4 Nothing contained in this agreement shall be construed to limit or restrict the city in its right to seek and obtain such judicial relief as it may be entitled to have in law or in equity for injunction or damages or both in the even of such breach by the Union or its members.

ARTICLE 17 **NON-DISCRIMINATION**

17.1 There shall be no discrimination by the City or the Union against an employee on account of race, color, creed, sex, national origin or handicap.

17.2 There shall be no discrimination, interference, restraint or coercion by the City or any of its representatives against any of the employees covered under this agreement because of their membership or non-membership in the Union or because of any lawful activities by such employee on behalf of the Union. The Union, its members and agents, shall not discriminate against, interfere with, restrain or coerce any employees covered under this agreement who are not members of the Union and shall not solicit membership in the Union or the payment of dues during working time.

ARTICLE 18
WORKING CONDITIONS

18.1 The City shall provide protective gloves for any work that may be damaging to an employee's hands. The City shall also provide any other protective equipment that may be needed along with wet weather gear. In addition to other benefits contained in this article, the Chief Water Treatment Plant Operator, the Supervisor of Water and Sewer, and the Assistant Superintendent of Public Works shall be paid six hundred and seventy five (\$675.00) dollars each year, for the purchase and maintenance, including cleaning of work clothes and protective work shoes or boots. For the Deputy CFO/Treasurer and Zoning Officer, the City will replace work clothes that have been damaged in the line of work. If at any time it is determined by the Department Head and/or chief executive of the City or a designated representative that an employee is not maintaining their clothing in proper condition, then said employee shall be required to purchase the items of clothing and protective work shoes or boots at the employee's cost. The entire annual clothing allowance will be paid within thirty (30) days of the adoption of the annual City budget.

18.2 City shall provide proper chairs for all personnel. Employees may make requests for improved seating at any time and City shall make a good faith effort to comply with all reasonable requests, subject to annual budgetary appropriations.

18.3 It shall be the responsibility of each employee to report defective or inoperative facilities or equipment to their supervisor and chief executive of the City or a designated representative.

18.4 The City agrees to meet as needed with representatives of the Union to discuss matters of mutual concern. Meetings will be scheduled by the chief executive of the City or a designated representative.

18.5 The City agrees to pay any expenses including training, school and fees associated with the obtaining or maintaining of any special licenses or certifications required for employees covered by this agreement to hold their positions with the City.

18.6 The City agrees to reimburse employees for all reasonable expenses incurred as a result of attending City approved seminars or programs.

ARTICLE 19
DUES CHECKOFF AND REPRESENTATION FEE

19.1 The City agrees to deduct from the salaries of its employees subject to this Agreement dues for the Union. In addition, the City agrees to deduct from the salaries of its employees subject to this Agreement but not members of the Union a representation fee in lieu of dues for services rendered by the majority representative, in an amount equal to 85% of the regular membership dues, fees and assessment paid by members of the Union, less the cost of

benefits financed through the dues and assessment and available to and benefiting only members of the Union. Such deductions shall be made in compliance with Chapter 310, Public Laws 1967, N.J.S.A. (R.S.) 52:14-15.9 (E) as amended. Said monies together with records of any corrections shall be transmitted to the Union office by the fifteenth (15th) of each month following the monthly pay period in which deductions were made.

19.2 If, during the life of this Agreement, there shall be any change in the rate of membership dues, the Union shall furnish to the City written notice prior to the effective date of such change and such notification shall be signed by the President and Financial Secretary of the Local Union.

19.3 The Union shall indemnify, defend and save the City harmless against any and all claims, demands suits or other forms of liability, which may arise by reason of any deductions and remitting the same pursuant to this Article.

ARTICLE 20

SEVERABILITY AND SAVINGS

If any provision of this Agreement or any application of this Agreement to any employee, or group of employees is held to be invalid by operation of law or by a court or other tribunal of competent jurisdiction, then such provisions and application shall be deemed inoperative; however, any other provisions and applications contained herein shall continue in full force and effect.

ARTICLE 21

FULLY BARGAINED PROVISIONS

This Agreement represents and incorporates the complete and final understanding and settlement by the parties on all bargainable issues, which were or could have been subject of negotiations. The intent and purpose of this paragraph is to give the parties opportunity to review and revise titles and salary ranges to keep them competitive and current.

ARTICLE 22

DURATION

This Agreement shall be in full force and effect as of January 1, 2009 and shall remain in effect to and including December 31, 2012 without any reopening date. This Agreement shall continue in full force and effect from year to year thereafter, unless one party or the other gives notice, in writing, no sooner than one hundred twenty (120) nor no later than ninety (90) days prior to the expiration of this Agreement of a desire to change, modify or terminate this Agreement. Any Agreement so negotiated shall apply to all Middle Managers/Professional employees, be reduced to writing and be signed by the parties.

ARTICLE 23
STIPENDS

The terms and conditions of that certain Stipend Agreement dated March 18, 2009, attached hereto as Appendix B, are hereby incorporated herein by this reference.

IN WITNESS WHEREOF, the parties have hereunto set their hand and seals at City of Cape May, New Jersey on this 18th day of May, 2010.

LOCAL 2327
UNITED AUTO WORKERS
AFL-CIO

CITY OF CAPE MAY
CAPE MAY COUNTY, NEW JERSEY

BY: [Signature] 5-17-10
[Signature]

BY: [Signature] 5/18/2010
Edward J. Mahaney, Jr. Mayor

ATTEST: [Signature]

ATTEST: [Signature]
Diane L. Weldon, Clerk

DATE: 05-17-2010

DATE: 5/18/2010

APPENDIX A
2009 - 2012 FLEX CARE MEDICAL OPTIONS

| | Employee Only | Employee & Dependents |
|------------------------------|-------------------------|--------------------------|
| FLEX CARE BENEFITS | \$1,300.00 ¹ | \$2,100.00 ² |
| VISION CARE | \$ | \$ |
| PRESCRIPTIONS | \$ | \$ |
| DENTAL CARE | \$ | \$ |
| DR. PRESCRIBED HEALTH AIDES | \$ | \$ |
| DEDUCTIBLE RESERVE (\$100 @) | \$ | \$ |
| 20% CO-PAY RESERVE (\$400 @) | \$ | \$ |
| OTHER ITEMS APPROVED BY CITY | \$ | \$ |
| CONTRIBUTION TO HEALTH CARE | \$ | \$ |
| STATE HEALTH BENEFIT OPTION | \$ | \$ |

.....

Employees are required to select the dollar amounts for each Flex Care Option each December for the next following calendar year. Dollar amounts selected will be locked in as of the first business day of each year. Employees will be required to submit paid bills for reimbursement. Flex Care reimbursements will be made through and in conjunction with the issuance of regularly scheduled payroll. Any unused benefits will terminate at the close of the year. Employees who elect to "cash out" are not entitled to Flex Care benefits.

AUTHORIZATION: _____ DATE: _____
 I understand and authorize my Flex Care Medical Options selected above.

¹ Increased to \$1,400.00 effective January 1, 2010.

² Increased to \$2,300.00 effective January 1, 2010.

APPENDIX B
STIPEND AGREEMENT

AGREEMENT

THIS AGREEMENT ("Agreement") is hereby entered into this 18TH day of MARCH, 2008, by and between the CITY OF CAPE MAY, a municipal corporation of New Jersey (hereinafter referred to as "City" or the "Employer"), and the UNITED AUTO WORKERS AFL-CIO Local 2327 (hereinafter referred to as "UAW" or the "Union") the City and the UAW may hereinafter be collectively referred to as the "Parties".

WITNESSETH:

WHEREAS, the UAW is the representative of certain collective bargaining units whose members are employees of the City; and

WHEREAS, the City and the UAW are parties to the following collective bargaining agreements defining the terms and conditions of employment: City of Cape May Upper Management/Professional Employees, dated January 1, 2005 through December 31, 2008; City of Cape May, New Jersey and White Collar Clerical and Communications Employees, dated January 1, 2005 through December 31, 2008; City of Cape May, New Jersey and Public Works and Water and Sewer Employees, dated January 1, 2005 through December 31, 2008; City of Cape May, New Jersey and Middle Managers/Professional Employees, dated January 1, 2005 through December 31, 2008; City of Cape May, New Jersey and the Lieutenant Lifeguards Association, dated January 1, 2003 through December 31, 2006; City of Cape May, New Jersey and the Lifeguards Association dated January 1, 2003 through December 31, 2006, together with amended and superseded by successor agreements (collectively referred to as the "Collective Bargaining Agreements"); and

WHEREAS, the City desires to remunerate certain employees by payment of Stipends more fully defined below, who are members of the UAW and subject to the terms and conditions of the Collective Bargaining Agreements for work performed in addition to their regular job responsibilities as those responsibilities are defined by their respective Collective Bargaining Agreements and applicable New Jersey Department of Personnel job descriptions; and

WHEREAS, a dispute has arisen concerning the unilateral implementation of stipends above the wage rates set forth in the various Collective Bargaining Agreements; and

WHEREAS, the City and the UAW desire to permit such Stipends and to fully settle and resolve the dispute in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing paragraphs, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Recital Paragraphs. The above recital paragraphs are incorporated herein as if set forth at length.

2. Existing Collective Bargaining Agreements. All terms and conditions set forth in the Collective Bargaining Agreements shall continue in full force and effect and unmodified hereby. To the extent that there are any inconsistencies between the terms of this Agreement and the terms of the Collective Bargaining Agreements, the terms of this Agreement shall apply, unless modified pursuant to Paragraph 7 below.

3. Stipend. Stipends, in the form of compensation which, for the purposes of distribution to the employee, shall be included in the employee's salary, and subject to payroll and pension deductions, where applicable, may be paid to such employees who are subject to the Collective Bargaining Agreements, for the performance of certain duties and responsibilities in addition to those for which they are compensated in accordance with the relevant provisions of their respective Collective Bargaining Agreement as follows:

(a). For the performance of duties or responsibilities, which may be the same or similar duties or responsibilities performed by the employee for the City, resulting from or in connection with a duly enacted Interlocal Service Agreement in accordance with the Interlocal Services Act, N.J.S.A. 40:8A-1, et seq., which authorizes agreements between municipalities for the provision of services by one municipality for another; and

(b). For the performance of duties and responsibilities unrelated to, or in addition to those duties and responsibilities required by the employee's respective Collective Bargaining Agreement and applicable New Jersey Department of Personnel job description, or those duties and responsibilities that are in addition to or unrelated to the employee's regularly performed duties and responsibilities, as defined by the City.

(c). All stipends currently in effect prior to the effective date of this Agreement shall be deemed agreed to by the parties and shall not be altered except as provided for herein.

(d). If the additional duties or responsibilities pertaining to a Stipend cease and the employee in question is no longer required to perform such additional duties or responsibilities, the City may cease payment of the Stipend.

(e). If the additional duties or responsibilities pertaining to a Stipend become the responsibility of another employee, that other employee will receive the Stipend for such additional work, and the original employee shall no longer receive the Stipend once he or she no longer performs the work associated with the Stipend. The City may only reassign Stipends with thirty (30) days advance notice to the Union, and may not use such reassignment to retaliate against any employee.

(f). If the City requires the work of additional duties or responsibilities to be performed, the City shall notify the Union of its desire to impose such additional duties or responsibilities on employees and the amount of the Stipend it proposes to pay in exchange for

such additional work. Upon receipt of such notice the Union may demand bargaining over the value of the additional work and the amount of the Stipend. Upon receipt of such a bargaining demand the City agrees that it will meet and bargain in good faith with the Union.

4. Intent. The UAW and the City acknowledge and agree that the intent of this Agreement is to permit the City to compensate certain employees in accordance with the terms and conditions set forth herein for the performance of those additional duties and responsibilities in connection with the payment of a Stipend as set forth above in Paragraph 3, notwithstanding the terms and conditions of the Collective Bargaining Agreements that pertain to compensation. The UAW further acknowledges and agrees that any Stipend paid to an employee shall not be construed as part of the salary of the employee for the purposes of negotiating salary increases for that employee or any other employee, group of employees or bargaining unit, provided the City complies with the terms of this Agreement. The City acknowledges that it is not the UAW's intention to relinquish its right as the bargaining representative for the purpose of compensation for the performance of additional duties and responsibilities.

5. Unfair Practice Charges. The UAW agrees to withdraw and dismiss, with prejudice, the Unfair Practice Charge and Amended Unfair Practice Charge filed with the New Jersey Public Employees Relations Commission pertaining to the subject matter hereof, under Docket Number CO-2007-180. The UAW further agrees not to file any future unfair practice charges or grievances pertaining to the subject matter hereof, provided that the City complies with the terms of this Agreement.

6. Effect of Invalidity. Should any provision of this Agreement be declared or be determined by any court of competent jurisdiction to be illegal, invalid, void, or unenforceable, the legality, validity, and enforceability of the remaining parts, terms, or provisions shall not be affected thereby, and any said illegal, unenforceable, or invalid part, term, or provision shall be deemed not to be a part of this Agreement.

7. No Modifications. This Agreement may not be modified except upon express written consent of both parties wherein specific reference is made to this Agreement. Absent any modification, this Agreement shall be incorporated into and made a part of all Collective Bargaining Agreements between the Parties and the successor agreements thereto and shall be attached to each such agreement when they are printed.

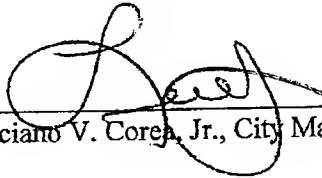
8. Counterparts / Facsimile. This Agreement may be executed in any number of counterparts, including counterparts transmitted by facsimile, which shall constitute an original of this Agreement.

9. Entire Agreement. This Agreement sets forth the entire agreement between the parties hereto and fully supersedes any and all prior agreements or understandings between the parties hereto pertaining to the subject matter hereof. Any disagreement concerning the interpretation or application of this Agreement shall be subject to the grievance and arbitration procedure set forth in the applicable collective bargaining agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed
the day and year first above written.

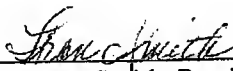
CITY OF CAPE MAY

BY: _____


Luciano V. Corea, Jr., City Manager

UNITED AUTO WORKERS AFL-CIO
Local 2327

BY: _____


Fran Smith, President